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MICHIGAN LABOR MARKET REVIEW

JOB SERVICE
Michigan Employment Security Commission

STATEWIDE JOBLESSNESS CONTINUES TO DECLINE

Michigan's unemployment rate decreased by four-tenths of a percentage point as the jobless rate slipped from 7.0 percent in August to 6.6 percent in September. The rate decline represents 20,000 fewer individuals out of work, as total state residents seeking employment fell to 305,000. The decrease in joblessness was primarily a result of callbacks in the automotive industry following the traditional model changeover period. Total employment in September registered a drop as the number of employed state residents fell by 54,000 to reach 4,283,000. Additionally, the civilian labor force plunged to 4,588,000, a loss of 74,000. The declines occurred as seasonal workers left their temporary jobs and the labor force to return to school. Compared with a year ago, employment in Michigan has increased by 37,000, while the size of the labor force has inched upward by 8,000. In September 1987, the total number of persons out of work amounted to 334,000, representing an unemployment rate of 7.3 percent.

SEASONAL GROWTH SPURS EMPLOYMENT LEVEL

Total nonagricultural wage and salary employment in Michigan increased as industry jobs climbed to 3,758,000 in September. Employment opportunities grew by approximately 50,000 as gains were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries rose by 23,000 primarily as a result of automotive recalls. Service producing employment rebounded by 27,000 to 2,663,000 in September, as governmental employment levels rose in response to the resumption of the school year. Public sector positions grew by 30,000 as a result. Since September 1987, industry employment in the Michigan has increased by 31,000 positions or one percent. Approximately 46,000 service producing jobs have been added throughout the year, while goods producing employment slipped by 15,000.

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	SEP 1988	AUG 1988	JUL 1988	SEP 1987
PLACE OF RESIDENCE				
Civilian Labor Force	4588	4662	4658	4580
Employment	4283	4337	4296	4246
Unemployment	305	325	362	334
Rate	6.6	7.0	7.8	7.3
PLACE OF WORK				
Wage and Salary Employment	3758	3708	3724	3727
Goods Producing Industries	1095	1072	1081	1110
Construction and Mining	156	157	154	143
Mining	10	11	11	10
Construction	146	147	143	133
Special trade Contractors	96	96	93	86
Other Construction	50	50	50	47
Manufacturing	939	914	927	967
Durable Goods	714	691	703	744
Lumber and Wood Products	13	13	13	14
Furniture and Fixtures	34	34	34	32
Stone, Clay and Glass Products	19	19	19	18
Metals	166	161	162	168
Primary Metals	49	48	48	49
Fabricated Metals	116	114	114	118
Nonelectrical Machinery	119	117	118	124
Electrical Machinery	35	35	34	36
Transportation Equipment	307	289	301	331
Motor Vehicles and Equipment	286	268	281	309
Other Transportation Equipment	21	21	21	22
Other Durable Goods	22	22	22	22
Nondurable Goods	224	223	224	223
Food and Kindred Products	46	48	48	47
Textiles and Apparel	21	20	20	23
Paper and Allied Products	20	20	20	21
Printing and Publishing	40	40	39	39
Chemicals and Petroleum	45	45	44	44
Other Nondurable Goods	52	51	52	50
Rubber and Plastic Prod.	50	49	50	48
Leather Products	2	2	2	2
Service Producing Industries	2663	2636	2643	2617
Trans., Comm. and Utilities	152	154	155	150
Transportation and Utilities	117	117	118	114
Communications	35	37	37	36
Wholesale Trade	192	191	190	188
Durable Goods	120	119	119	117
Nondurable Goods	72	72	71	70
Retail Trade	694	696	694	679
General Merchandise Stores	94	95	94	96
Food Stores	104	104	104	98
Automotive Dealers and Services	75	75	75	75
Eating and Drinking Places	240	240	241	234
Other Retail Trade	181	182	180	175
Finance, Insurance and Real Estate	185	186	187	179
Finance	94	95	95	92
Insurance and Real Estate	91	91	92	86
Services	842	840	841	824
Business Services	178	178	178	179
Health Services	272	272	272	269
Other Services	392	390	391	377
Government	599	569	576	598
Federal	62	63	62	61
State	152	143	145	154
Local	384	363	368	383

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1987 Benchmark.
WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1987 Benchmark.

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits dropped in September. The regular benefits claims load averaged 79,398 per week during the month, approximately 41,095 less than the August total.

The 34 percent decrease was primarily due to the recall of automotive workers following the annual model changeover period. In September 1987, the number of claimants drawing benefits under the regular benefit program averaged 97,820, or approximately 23 percent higher than the present total.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
September 03, 1988	104,200	13,000	91,200	52,100	5,200	46,900
September 10, 1988	96,100	9,800	86,300	46,000	4,300	41,700
September 17, 1988	93,200	10,700	82,500	45,600	5,000	40,600
September 24, 1988	89,800	10,600	79,200	44,400	5,000	39,400

HOUSING PRICES INCREASE IN DETROIT

Consumer prices in the Detroit metropolitan area increased from 115.4 in June to 117.6 in August. The increase in Detroit area prices was primarily due to higher costs for housing and medical care. Prices in the area climbed by 4.8 percent since August 1987, when the consumer price index stood at 112.2. At the national level, the cost of living advanced by seven-tenths of a percent to reach 119.8 during the month of September.

The higher national prices were due to additional costs for food. Between September 1987 and September 1988, national consumer prices increased by 4.1 percent. One year ago, the national index registered 115.0. Note: Beginning in January 1988, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries increased to 43.8 hours in September. The increase occurred primarily as a result of additional hours worked by individuals in the automotive industry.

During the month average hourly earnings climbed by twenty-three cents to $13.43, while average weekly earnings increased by $28.55 to total $588.23. In September 1987, earnings averaged $13.02 an hour or $532.52 per week for a 40.9 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Hourly Earnings a/			Average Weekly Hours a/			Average Weekly Earnings a/		
	Sep 1988	Aug 1988	Sep 1987	Sep 1988	Aug 1988	Sep 1987	Sep 1988	Aug 1988	Sep 1987
TOTAL MANUFACTURING	$588.23	$559.68	$532.52	43.8	42.4	40.9	$13.43	$13.20	$13.02
DURABLE GOODS	624.71	590.21	556.78	44.4	42.8	41.0	14.07	13.79	13.58
Primary Metal Products	617.03	601.24	567.17	44.2	43.6	42.2	13.96	13.79	13.44
Fabricated Metal Products	570.18	542.34	516.84	43.0	41.4	40.6	13.26	13.10	12.73
Nonelectrical Machinery	607.95	581.19	544.48	45.0	43.6	41.5	13.51	13.33	13.12
Electrical Machinery	496.76	493.02	458.37	44.0	43.4	40.6	11.29	11.36	11.29
Motor Vehicles & Equip.	746.33	701.38	639.52	45.9	43.7	41.1	16.26	16.05	15.56
NONDURABLE GOODS	468.86	459.67	444.51	41.9	41.3	40.3	11.19	11.13	11.03
Contract Construction	649.13	641.02	564.12	40.8	40.7	36.0	15.91	15.75	15.67
Department Stores	177.44	180.81	192.45	28.3	28.7	30.5	6.27	6.30	6.31

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
SEPTEMBER 1988 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	121,842,000	115,474,000	6,368,000	5.2
Michigan	4,588,000	4,283,000	305,000	6.6
Major Labor Markets				
Ann Arbor MSA	163,500	157,700	5,900	3.6
Battle Creek MSA	65,300	61,400	4,000	6.1
Benton Harbor MSA	78,800	73,900	4,900	6.2
Detroit MSA	2,193,000	2,042,000	150,000	6.9
Flint MSA	198,500	172,900	25,500	12.9
Grand Rapids MSA	360,800	344,400	16,400	4.5
Jackson MSA	64,700	60,300	4,300	6.7
Kalamazoo MSA	118,300	112,800	5,500	4.7
Lansing MSA	239,500	227,300	12,200	5.1
Muskegon MSA	68,900	63,400	5,500	8.0
Saginaw-Bay-Midland MSA	190,500	178,800	11,700	6.2
Upper Peninsula LMA	134,900	126,500	8,400	6.3
Major Counties (15,000+)				
Allegan	56,675	54,125	2,575	4.5
Barry	21,550	20,375	1,175	5.5
Bay	54,775	51,275	3,500	6.4
Branch	18,075	16,850	1,225	6.7
Cass	23,650	22,550	1,100	4.6
Clinton	29,575	28,125	1,450	4.9
Delta	16,150	15,075	1,075	6.6
Eaton	51,450	49,375	2,075	4.1
Grand Traverse	36,150	34,125	2,025	5.6
Gratiot	17,550	16,175	1,375	7.8
Hillsdale	20,325	18,575	1,750	8.6
Huron	15,925	14,775	1,150	7.2
Ingham	158,475	149,825	8,650	5.5
Ionia	19,200	17,700	1,500	7.8
Isabella	29,050	27,925	1,150	3.9
Kent	266,325	253,575	12,750	4.8
Lapeer	33,175	29,950	3,225	9.7
Lenawee	44,025	40,225	3,825	8.7
Livingston	51,950	49,600	2,375	4.5
Macomb	377,800	353,050	24,775	6.6
Marquette	29,275	27,725	1,550	5.3
Midland	35,925	34,300	1,625	4.5
Monroe	62,725	58,950	3,800	6.0
Montcalm	22,025	20,175	1,850	8.4
Newaygo	17,250	16,050	1,200	7.0
Oakland	578,675	546,400	32,275	5.6
Ottawa	94,500	90,825	3,675	3.9
Saginaw	99,800	93,175	6,625	6.6
St. Clair	65,625	60,400	5,225	8.0
St. Joseph	28,125	25,975	2,150	7.6
Sanilac	20,900	19,400	1,500	7.1
Shiawassee	35,125	32,150	2,850	8.4
Tuscola	23,325	21,200	2,125	9.1
Van Buren	31,925	29,600	2,300	7.2
Wayne	1,022,925	944,100	78,800	7.7

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SECURITY COMMISSION
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